		FOR OHF USE					

LL1

2002
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2002)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: 0041459

Facility Name: Lynncrest Manor of Auburn

Address: 304 Maple Avenue (Number) Auburn (City) 62615 (Zip Code)

County: Sangamon

Telephone Number: (217) 438-6125 **Fax #** (217) 438-6316

IDPA ID Number: 371346156002

Date of Initial License for Current Owners: 4/1/96

Type of Ownership:

	VOLUNTARY,NON-PROFIT	X	PROPRIETARY		GOVERNMENTAL
	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
		X	Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Chris Hanover **Telephone Number:** (312) 634-3400
Please send copies of desk review and audit adjustments to address on this page

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/02 to 12/31/02 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed)	(Date)
	(Type or Print Name)	
	(Title)	
Paid Preparer	(Signed)	SEE ACCOUNTANTS' COMPILATION REPORT (Date)
	(Print Name and Title)	
	(Firm Name & Address)	Altschuler, Melvoin and Glasser, LLP One South Wacker Drive, Suite 800, Chicago, IL 60606
	(Telephone)	(312) 634-3400 Fax # (312) 634-5518

MAIL TO: OFFICE OF HEALTH FINANCE
ILLINOIS DEPARTMENT OF PUBLIC AID
201 S. Grand Avenue East
Springfield, IL 62763-0001 **Phone # (217) 782-1630**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	70	Skilled (SNF)	70	25,550	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	70	TOTALS	70	25,550	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Public Aid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF			897	897	8
9	SNF/PED					9
10	ICF	8,715	7,654	3,618	19,987	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	8,715	7,654	4,515	20,884	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 81.74%

D. How many bed-hold days during this year were paid by Public Aid?
0 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [X] NO [ ] Non-allowable costs have been eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [ ] NO [X]

I. On what date did you start providing long term care at this location?
Date started 04/01/96

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 04/01/96 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [x] NO [ ] If YES, enter number of beds certified 6 and days of care provided 897

Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: 12/31/02 Fiscal Year: 12/31/02

* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 **Report Period Beginning:** 01/01/02 **Ending:** 12/31/02

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7**	8	9	10	
1	Dietary	93,185	7,542	5,913	106,640		106,640		106,640			1
2	Food Purchase		85,483		85,483		85,483	(5,171)	80,312			2
3	Housekeeping	40,780	6,689		47,469		47,469		47,469			3
4	Laundry	25,733	7,599		33,332		33,332		33,332			4
5	Heat and Other Utilities			52,297	52,297		52,297	877	53,174			5
6	Maintenance	35,028		20,611	55,639		55,639	50	55,689			6
7	Other (specify):*											7
8	**TOTAL General Services**	194,726	107,313	78,821	380,860		380,860	(4,244)	376,616			8
	B. Health Care and Programs											
9	Medical Director			6,000	6,000		6,000		6,000			9
10	Nursing and Medical Records	613,005	32,489	22,740	668,234		668,234		668,234			10
10a	Therapy			113,799	113,799		113,799		113,799			10a
11	Activities	34,533	1,333	2,152	38,018		38,018		38,018			11
12	Social Services	6,240		2,152	8,392		8,392		8,392			12
13	Nurse Aide Training											13
14	Program Transportation			80	80		80		80			14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	653,778	33,822	146,923	834,523		834,523		834,523			16
	C. General Administration											
17	Administrative	51,314		(45,977)	5,337		5,337	45,977	51,314			17
18	Directors Fees											18
19	Professional Services			22,113	22,113		22,113	4,431	26,544			19
20	Dues, Fees, Subscriptions & Promotions			6,368	6,368		6,368		6,368			20
21	Clerical & General Office Expenses	141,218	13,286	8,128	162,632		162,632	5,901	168,533			21
22	Employee Benefits & Payroll Taxes			164,311	164,311		164,311	10,025	174,336			22
23	Inservice Training & Education							190	190			23
24	Travel and Seminar			1,239	1,239		1,239	2,323	3,562			24
25	Other Admin. Staff Transportation			1,332	1,332		1,332		1,332			25
26	Insurance-Prop.Liab.Malpractice			43,129	43,129		43,129	176	43,305			26
27	Other (specify):*											27
28	**TOTAL General Administration**	192,532	13,286	200,643	406,461		406,461	69,023	475,484			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	1,041,036	154,421	426,387	1,621,844		1,621,844	64,779	1,686,623			29

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

****See schedule of adjustments attached at end of cost report.**

Facility Name & ID Number Lynncrest Manor of Auburn #0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger: Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7**	Adjusted Total 8	FOR OHF USE ONLY 9	10	
	D. Ownership											
30	Depreciation			13,930	13,930		13,930	1,122	15,052			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			133,676	133,676		133,676	7,877	141,553			32
33	Real Estate Taxes			13,621	13,621		13,621		13,621			33
34	Rent-Facility & Grounds			197,952	197,952		197,952	4,628	202,580			34
35	Rent-Equipment & Vehicles			2,361	2,361		2,361	4,341	6,702			35
36	Other (specify):*											36
37	**TOTAL Ownership**			361,540	361,540		361,540	17,968	379,508			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		17,740		17,740		17,740		17,740			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			38,325	38,325		38,325		38,325			42
43	Other (specify):* Nonallowable Costs			10,523	10,523		10,523	(10,523)				43
44	**TOTAL Special Cost Centers**		17,740	48,848	66,588		66,588	(10,523)	56,065			44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	1,041,036	172,161	836,775	2,049,972		2,049,972	72,224	2,122,196			45

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**

**** See schedule of adjustments attached at end of cost report.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer-ence	3 OHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(5,171)	2		4
5	Telephone, TV & Radio in Resident Rooms	(510)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(359)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	1,695	43		18
19	Entertainment				19
20	Contributions	(196)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(7,342)	43		24
25	Fund Raising, Advertising and Promotional	(803)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising	(934)	43		28
29	Other-Attach Schedule See Schedule 5A	(2,074)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	$ (15,694)		$	30

OHF USE ONLY								
48		49		50		51		52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	87,918		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	$ 87,918		36
37	TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))	$ 72,224		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport.		x	$		38
39						39
40	Gift and Coffee Shops		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Lynncrest Manor of Auburn
Provider #0041459
12/31/02

Schedule 5A

VI. ADJUSTMENT DETAIL (continued)

	Amount	Reference
To disallow Radiology	(1,066)	43
To disallow Laboratory	(1,008)	43
Total line 29	(2,074)	

See Accountants' Compilation Report

Lynncrest Manor of Auburn

ID# 0041459

Report Period Beginning: 01/01/02

Ending: 12/31/02

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1		$		1
2				2
3				3
4				4
5				5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	0		49

STATE OF ILLINOIS — Summary A

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 **Report Period Beginning:** 01/01/02 **Ending:** 12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(5,171)	0	0	0	0	0	0	0	0	0	0	(5,171)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	877	0	0	0	0	0	0	0	0	0	877	5
6	Maintenance	0	50	0	0	0	0	0	0	0	0	0	50	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	**TOTAL General Services**	(5,171)	927	0	0	0	0	0	0	0	0	0	(4,244)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	45,977	0	0	0	0	0	0	0	0	0	45,977	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	4,431	0	0	0	0	0	0	0	0	0	4,431	19
20	Fees, Subscriptions & Promotions	0	0	0	0	0	0	0	0	0	0	0	0	20
21	Clerical & General Office Expenses	0	5,901	0	0	0	0	0	0	0	0	0	5,901	21
22	Employee Benefits & Payroll Taxes	0	10,025	0	0	0	0	0	0	0	0	0	10,025	22
23	Inservice Training & Education	0	190	0	0	0	0	0	0	0	0	0	190	23
24	Travel and Seminar	0	2,323	0	0	0	0	0	0	0	0	0	2,323	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	176	0	0	0	0	0	0	0	0	0	176	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	**TOTAL General Administration**	0	69,023	0	0	0	0	0	0	0	0	0	69,023	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(5,171)	69,950	0	0	0	0	0	0	0	0	0	64,779	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 **Report Period Beginning:** 01/01/02 **Ending:** 12/31/02

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	0	1,122	0	0	0	0	0	0	0	0	0	1,122	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	0	7,877	0	0	0	0	0	0	0	0	0	7,877	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	4,628	0	0	0	0	0	0	0	0	4,628	34
35	Rent-Equipment & Vehicles	0	0	4,341	0	0	0	0	0	0	0	0	4,341	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	**TOTAL Ownership**	0	8,999	8,969	0	0	0	0	0	0	0	0	17,968	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(8,449)	0	0	0	0	0	0	0	0	0	0	(8,449)	43
44	**TOTAL Special Cost Centers**	(8,449)	0	0	0	0	0	0	0	0	0	0	(8,449)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(13,620)	78,949	8,969	0	0	0	0	0	0	0	0	74,298	45

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
DSI Partners, L.L.C.	100.00%	Lynncrest Manor of Paris	Paris	DSI Management		
(owned 70% by Jerry Neal, and				Services, Inc.	Peoria	Management Co.
15% each by Sherry Borum-Neal,						
and Ronald Mangum)						

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [x] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

	1 Schedule V	2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	5	Heat and Other Utilities	$	DSI Management Services, Inc.	A	$ 877	$ 877	1
2	V	6	Maintenance		DSI Management Services, Inc.	A	50	50	2
3	V	17	Management Fees	(45,977)	DSI Management Services, Inc.	A		45,977	3
4	V	19	Professional Services		DSI Management Services, Inc.	A	4,431	4,431	4
5	V	21	Clerical & General Office Exp.		DSI Management Services, Inc.	A	5,901	5,901	5
6	V	22	Employee Benefits		DSI Management Services, Inc.	A	10,025	10,025	6
7	V	23	Inservice Training & Education		DSI Management Services, Inc.	A	190	190	7
8	V	24	Travel & Seminar		DSI Management Services, Inc.	A	2,323	2,323	8
9	V	26	Insurance		DSI Management Services, Inc.	A	176	176	9
10	V	30	Depreciation		DSI Management Services, Inc.	A	1,122	1,122	10
11	V	32	Interest		DSI Management Services, Inc.	A	7,877	7,877	11
12	V								12
13	V					A: Owned 100% by Jerry Neal			13
14	Total			$ (45,977)			$ 32,972	$ * 78,949	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. [x] YES [ ] NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V		2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
15	V	34	Rent-Facility & Grounds	$	DSI Management Services, Inc.	A	$ 4,628	$ 4,628	15
16	V	35	Rent-Equipment & Vehicles		DSI Management Services, Inc.	A	4,341	4,341	16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V					A: Owned 100% by Jerry Neal			38
39	Total			$			$ 8,969	$ * 8,969	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1									$	L17, C1	1
2											2
3											3
4											4
5											5
6					N/A						6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

DSI Management Services, Inc.
Administrative Salaries/Hours Allocation
12/31/02

Schedule 7A

VII. RELATED PARTIES (continued)
C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.
Compensation Received From Other Nursing Homes

Name	Lynncrest Manor of Auburn	Lynncrest Manor of Paris	Total
Lester Robertson			-

See Accountants' Compilation Report

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES [X] NO [ ]

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization: DSI Management Services, Inc.
Street Address: 4239 War Memorial Drive
City / State / Zip Code: Peoria, IL 61614
Phone Number: (309) 685-0595
Fax Number: (309) 685-9596

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	5	Heat and Other Utilities	Beds	132	2	$ 1,653	$	70	$ 877	1
2	6	Maintenance	Beds	132	2	94		70	50	2
3	19	Professional Services	Beds	132	2	8,355		70	4,431	3
4	21	Clerical & General Office Exp.	Beds	132	2	11,127		70	5,901	4
5	22	Employee Benefits	Beds	132	2	18,904		70	10,025	5
6	23	Inservice Training & Education	Beds	132	2	358		70	190	6
7	24	Travel & Seminar	Beds	132	2	4,380		70	2,323	7
8	26	Insurance	Beds	132	2	331		70	176	8
9	30	Depreciation	Beds	132	2	2,116		70	1,122	9
10	32	Interest	Beds	132	2	14,853		70	7,877	10
11	34	Rent-Facility and Grounds	Beds	132	2	8,727		70	4,628	11
12	35	Rent-Equipment & Vehicles	Beds	132	2	8,186		70	4,341	12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 79,084	$		$ 41,941	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1	Carol Van Dyke-Fleming		X	Lease Purchase	$6,650.00	02/02/98	$ 525,000	$ 406,914	02/02/08	0.0900	$ 28,998	1
2	NCS Lease		X	Hardware/Software	$446.00	10/31/98	27,952	14,657	09/30/03	0.1429		2
3	GMAC Corp		X	Vehicle Purchase	$701.95	01/27/02	28,262	22,641	01/26/06	0.0890	2,100	3
4												4
5												5
	Working Capital											
6								Amortization of leasehold rights			67,021	6
7												7
8												8
9	TOTAL Facility Related				$7,797.95		$ 581,214	$ 444,212			$ 98,119	9
	B. Non-Facility Related*											
10								DSI Partners L.L.C.			8,184	10
11								Allocated from Management Company			7,877	11
12								Miscellaneous Interest Expense			27,373	12
13												13
14	TOTAL Non-Facility Related						$	$			$ 43,434	14
15	TOTALS (line 9+line14)						$ 581,214	$ 444,212			$ 141,553	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. **$** N/A **Line #**

*** Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)**

SEE ACCOUNTANTS' COMPILATION REPORT

**** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)**

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2001 report.		$ 12,371	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2001	$ 12,996	2
3. Under or (over) accrual (line 2 minus line 1).		$ 625	3
4. Real Estate Tax accrual used for 2002 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 12,996	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND $ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		$ 13,621	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	1997	12,735	8
	1998	12,063	9
	1999	12,089	10
	2000	12,371	11
	2001	12,996	12

Real estate accrual is based on 100% of prior year's tax bill.

	FOR OHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2001	$	13
14	PLUS APPEAL COST FROM LINE 5	$	14
15	LESS REFUND FROM LINE 6	$	15
16	AMOUNT TO USE FOR RATE CALCULATION	$	16

NOTES:

1. **Please indicate a negative number by use of brackets( ). Deduct any overaccrual of taxes from prior year.**
2. **If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.**
   This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2001 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2001 real estate tax costs, as well as copies of your real estate tax bills for calendar 2001.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2001 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2002 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, [illegible]

2001 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lynncrest Manor of Auburn COUNTY Sangamon

FACILITY IDPH LICENSE NUMBER 0041459

CONTACT PERSON REGARDING THIS REPORT Allan Herrmann

TELEPHONE (309) 685-0595 FAX #: (309) 685-9596

A. **Summary of Real Estate Tax Cos**

Enter the tax index number and real estate tax assessed for 2001 on the lines provided below. Enter only the portion of tl cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursir home property which is vacant, rented to other organizations, or used for purposes other than long term care must not l entered in Column D. Do not include cost for any period other than calendar year 200l

	(A) Tax Index Numbe	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	34-10-205-020-1	Nursing Facility	$ 12,996.00	$ 12,996.00
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 12,996.00	$ 12,996.00

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services? _____ YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing hom (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used

C. **Tax Bills**

Attach a copy of the 2001 tax bills which were listed in Section A to this statement. Be sure to use the 2001 tax bill whic is normally paid during 2002.

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 16,312 B. General Construction Type: Exterior Brick Frame Brick Number of Stories 1

C. Does the Operating Entity? [ ] (a) Own the Facility [ ] (b) Rent from a Related Organization. [X] (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.

D. Does the Operating Entity? [X] (a) Own the Equipment [ ] (b) Rent equipment from a Related Organization. [X] (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? [ ] YES [X] NO
If so, please complete the following:

1. Total Amount Incurred: N/A
2. Number of Years Over Which it is Being Amortized: N/A
3. Current Period Amortization: N/A
4. Dates Incurred: N/A

Nature of Costs:
(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1				$	1
2					2
3	TOTALS			$	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4					$	$		$	$	$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Sign			1996	750	75	10	75		481	9
10	Sign			1996	961	96	10	96		609	10
11	Boiler Repair			1998	3,660	244	15	244		1,220	11
12	Door			1999	1,793	120	15	120		450	12
13	Carpeting			1999	667	67	10	67		229	13
14	Renovation of South Wing			1999	2,496	166	15	166		540	14
15	Boiler Repair			2000	730	49	15	49		134	15
16	Carpeting			2000	1,617	108	15	108		324	16
17	Water Heater			2000	1,278	85	15	85		190	17
18	Water Heater			2000	3,328	333	10	333		999	18
19	Concrete Work			2001	1,720	115	15	115		172	19
20	Roof Repair			2002	18,353	651	15	651		651	20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32											32
33											33
34											34
35											35
36											36

*Total beds on this schedule must agree with page 2.

See Page 12A, Line 70 for total

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$ 37,353	$ 2,109		$ 2,109	$	$ 5,999	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	$ 44,914	$ 6,169	$ 6,169	$	5-10	$ 22,670	71
72	Current Year Purchases							72
73	Fully Depreciated Assets							73
74	Allocated from Management Company			1,122	1,122			74
75	TOTALS	$ 44,914	$ 6,169	$ 7,291	$ 1,122		$ 22,670	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Patient Use	Olds., Silhouette - 2001	2002	$ 28,262	$ 5,652	$ 5,652	$	5	$ 5,652	76
77										77
78										78
79										79
80	TOTALS			$ 28,262	$ 5,652	$ 5,652	$		$ 5,652	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 110,529	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 13,930	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 15,052	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 1,122	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 34,321	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		$	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$	$	$	91

G. Construction-in-Progress

	Description	Cost	
92		$	92
93			93
94			94
95		$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Ellsworth F. O'Sullivan

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions. [X] YES [ ] NO

		1 Year Constructed	2 Number of Beds	3 Date of Lease	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:	1966	70	12/15/80	$ 197,952	25	0	3
4	Additions							4
5								5
6	Allocated from Management Company				4,628			6
7	TOTAL		70		$ 202,580 **			7

8. List separately any amortization of lease expense included on page 4, line 34. None
This amount was calculated by dividing the total amount to be amortized N/A
by the length of the lease N/A .

9. Option to Buy: [ ] YES [X] NO Terms: _____ *

10. Effective dates of current rental agreement:
Beginning 12/15/80
Ending 12/31/05

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	12/31/2003	$ 197,952
13.	12/31/2004	$ 197,952
14.	12/31/2005	$ 197,952

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? [ ] YES [X] NO

16. Rental Amount for movable equipment: $ 6,702 Description: Office Copier $ 1,692 ; Postage Machine $ 669 ; Allocated from Management Company $4,341
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18			N/A		18
19					19
20					20
21	TOTAL		$	$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIII. EXPENSES RELATING TO NURSE AIDE TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD?
[ ] YES
[X] NO

It is the policy of this facility to only hire certified nurses aides.

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

2. CLASSROOM PORTION:
IN-HOUSE PROGRAM [ ]
IN OTHER FACILITY [ ]
COMMUNITY COLLEGE [ ]
HOURS PER AIDE ____

3. CLINICAL PORTION:
IN-HOUSE PROGRAM [ ]
IN OTHER FACILITY [ ]
HOURS PER AIDE ____

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	$	$	$	$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	$	$	$	$
10	SUM OF line 9, col. 1 and 2 (e)	$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

$

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

(a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
(b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
(c) For in-house training programs only. Do not include fringe benefits.
(d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.
(e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
(f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff Units of Service	Staff Cost	Outside Practitioner (other than consultant) Units	Outside Practitioner (other than consultant) Cost	Supplies (Actual or) Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
1	Licensed Occupational Therapist	L10a, C3	hrs	$	497	$ 31,814	$	497	$ 31,814	1
2	Licensed Speech and Language Development Therapist	L10a, C3	hrs		68	5,205		68	5,205	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10a, C3	hrs		1,181	76,780		1,181	76,780	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescrpts				17,740		17,740	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):									13
14	TOTAL			$	1,746	$ 113,799	$ 17,740	1,746	$ 131,539	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Lynncrest Manor of Auburn
Provider #: 0041459
01/01/02 to 12/31/02

Schedule 16A

XIV. Special Services
Line 13 Other (specify):

Service	Line Reference	Outside Practioner Units	Cost	Supplies
Total			0	0

See Accountants' Compilation Report

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/02 (last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ (97,109)	$ (97,109)	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 10,711)	94,107	94,107	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	41,033	41,033	6
7	Other Prepaid Expenses	8,956	8,956	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from Related Parties	1,136,171	1,136,171	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 1,183,158	$ 1,183,158	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	37,353	37,353	15
16	Equipment, at Historical Cost	73,176	73,176	16
17	Accumulated Depreciation (book methods)	(34,321)	(34,321)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Leasehold Rights	201,064	201,064	23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 277,272	$ 277,272	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 1,460,430	$ 1,460,430	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 362,883	$ 362,883	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	71,826	71,826	30
31	Accrued Taxes Payable (excluding real estate taxes)	2,067	2,067	31
32	Accrued Real Estate Taxes(Sch.IX-B)	12,996	12,996	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Due to Related Parties	9,500	9,500	36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 459,272	$ 459,272	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	37,298	37,298	39
40	Mortgage Payable	406,914	406,914	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 444,212	$ 444,212	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 903,484	$ 903,484	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 556,946	$ 556,946	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 1,460,430	$ 1,460,430	48

SEE ACCOUNTANTS' COMPILATION REPORT

***(See instructions.)**

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ 562,506	1
2	Restatements (describe):		2
3	**Prior Period Adjustments**	9,809	3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 572,315	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(15,369)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	( )	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (15,369)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ 556,946	24 *

Operating Entity Only

*** This must agree with page 17, line 47.**

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 1,879,599	1
2	Discounts and Allowances for all Levels	(76,863)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 1,802,736	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	183,286	6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 183,286	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	40	13
14	Non-Patient Meals	3,983	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	26,610	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	1,788	19
20	Radiology and X-Ray		20
21	Other Medical Services	14,446	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 46,867	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***		25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Vending Machine Income	1,188	28
28a	Miscellaneous Income	526	28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 1,714	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 2,034,603	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	380,860	31
32	Health Care	834,523	32
33	General Administration	406,461	33
	B. Capital Expense		
34	Ownership	361,540	34
	C. Ancillary Expense		
35	Special Cost Centers	28,263	35
36	Provider Participation Fee	38,325	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 2,049,972	40
41	**Income before Income Taxes (line 30 minus line 40)****	(15,369)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (15,369)	43

* **This must agree with page 4, line 45, column 4.**

** **Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation. This entity files as part of a combined cash basis tax return.**

*** **See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT**

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.**

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	2,080	2,080	$ 44,347	$ 21.32	1
2	Assistant Director of Nursing					2
3	Registered Nurses	3,495	3,811	62,228	16.33	3
4	Licensed Practical Nurses	13,733	14,599	193,104	13.23	4
5	Nurse Aides & Orderlies	29,476	31,132	273,232	8.78	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	859	859	8,038	9.36	8
9	Activity Director	3,738	4,012	34,533	8.61	9
10	Activity Assistants					10
11	Social Service Workers	781	831	6,240	7.51	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	11,651	12,165	93,185	7.66	15
16	Dishwashers					16
17	Maintenance Workers	3,269	3,631	35,028	9.65	17
18	Housekeepers	5,682	6,152	40,780	6.63	18
19	Laundry	2,902	3,134	25,733	8.21	19
20	Administrator	2,080	2,080	51,314	24.67	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	7,177	7,676	141,218	18.40	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	2,310	2,430	17,639	7.26	31
32	Other Health Ca Care Plan Coordin	956	1,081	14,417	13.34	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	90,189	95,673	$ 1,041,036 *	$ 10.88	34

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant	105	$ 5,436	L1, C3	35
36	Medical Director	Monthly	6,000	L9,C3	36
37	Medical Records Consultant	17	422	L10, C3	37
38	Nurse Consultant				38
39	Pharmacist Consultant				39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	37	2,152	L11, C3	44
45	Social Service Consultant	37	2,152	L12, C3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	196	$ 16,162		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses		$		50
51	Licensed Practical Nurses	445	14,801	L10, C3	51
52	Nurse Aides	432	7,517	L10, C3	52
53	TOTAL (lines 50 - 52)	877	$ 22,318		53

SEE ACCOUNTANTS' COMPILATION REPORT

* This total must agree with page 4, column 1, line 45.

** See instructions.

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Larry Trigg	Administrator	0%	$ 51,314
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 51,314

B. Administrative - Other

Description	Amount
Management fees (eliminated in column 7)	$ (45,977)
TOTAL (agree to Schedule V, line 17, col. 3)	$ (45,977)
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
ADP	Payroll Service	$ 4,514
Motion Interest & Networking	Computer Services	300
Verison North	Computer Services	837
Hanson Information Systems	Computer Services	1,822
Advanced Answers on Demand	Computer Services	2,290
AM&G	Accounting Fees	9,615
American Express TBS	Accounting Fees	2,735
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $2500 attach copy of invoices.)		$ 22,113

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 46,135
Unemployment Compensation Insurance	7,568
FICA Taxes	68,740
Employee Health Insurance	40,527
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Other Employee Benefits	1,341
Allocated from Management Company	10,025
TOTAL (agree to Schedule V, line 22, col.8)	$ 174,336

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

Description	Line #	Amount
N/A		$
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$ 200
Advertising: Employee Recruitment	2,971
Health Care Worker Background Check	
(Indicate # of checks performed 19)	245
Illinois Health Care Association	2,277
Misc. License, Dues, & Subscriptions	675
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 6,368

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	209
Seminar Expense	1,030
Allocated from Management Company	2,323
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 3,562

* Attach copy of IMRF notifications

**See instructions.

SEE ACCOUNTANTS' COMPILATION REPORT

Lynncrest Manor of Auburn
Provider #: 0041459
01/01/02 to 12/31/02

Schedule 21A

XIX. SUPPORT SCHEDULE
C. Professional Services

Total (agree to Schedule V, line 19, column 3)	22,113
Allocated from Management Company	4,431
Total (agree to Schedule V, line 19, column 8)	26,544

See Accountants' Compilation Report

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007
1	N/A		$		$	$	$	$	$	$	$	$	$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		$		$	$	$	$	$	$	$	$	$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lynncrest Manor of Auburn # 0041459 Report Period Beginning: 01/01/02 Ending: 12/31/02

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **Illinois Health Care Association $ 2,277**

(3) Did the nursing home make political contributions or payments to a politica
action organization? **Yes** If YES, have these costs
been properly adjusted out of the cost report? **Yes**

(4) Does the bed capacity of the building differ from the number of beds licensed at the
end of the fiscal year? **No** If YES, what is the capacity? **N/A**

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **7.5 yrs**

(6) Indicate the total amount of both disposable and non-disposable diaper expense
and the location of this expense on Sch. V. $ **2,097** Line **10**

(7) Have all costs reported on this form been determined using accounting procedures
consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease. **N/A**

(9) Are you presently operating under a sublease agreement? ____ YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for
Schedule VII)? YES ____ NO **X** If YES, please indicate name of the facility,
IDPH license number of this related party and the date the present owners took over
N/A

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department
of Public Aid during this cost report period. $ **38,325**
This amount is to be recorded on line 42 of Schedule V.

(12) Are there any salary costs which have been allocated to more than one line on Schedule V
for an individual employee? **No** If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

(13) Have costs for all supplies and services which are of the type that can be billed to
the Department of Public Aid, in addition to the daily rate, been properly classified
in the Ancillary Section of Schedule V? **Yes**

(14) Is a portion of the building used for any function other than long term care services for
the patient census listed on page 2, Section B? **No** For example,
is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach
a schedule which explains how all related costs were allocated to these functions

(15) Indicate the cost of employee meals that has been reclassified to employee benefits
on Schedule V. $ **0** Has any meal income been offset against
related costs? **Yes** Indicate the amount. $ **3,983**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for
residents? **No** If YES, please indicate the amount of income earned from such a
program during this reporting period. $ **N/A**
c. What percent of all travel expense relates to transportation of nurses and patients? **0%**
d. Have vehicle usage logs been maintained? **Adequate records have been maintained.**
e. Are all vehicles stored at the nursing home during the night and all other
times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted
out of the cost report? **N/A**
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such
transportation during this reporting period. $ N/A

(17) Has an audit been performed by an independent certified public accounting firm? **No**
Firm Name: **N/A** The instructions for the
cost report require that a copy of this audit be included with the cost report. Has this copy
been attached? **N/A** If no, please explain. **N/A**

(18) Have all costs which do not relate to the provision of long term care been adjusted ou
out of Schedule V? **Yes**

(19) If total legal fees are in excess of $2500, have legal invoices and a summary of services
performed been attached to this cost report? **N/A**
Attach invoices and a summary of services for all architect and appraisal fees.

RECONCILIATION REPORT **Lynncrest Manor of Aub** **03:26 PM** **11/04/05**

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB-SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB-SCHED.	LINE NO.	COL. NO.
Adjustment Detail	72,224	equal to	72,224	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	141,553	equal to	141,553	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	13,621	equal to	13,621	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE!	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	15,052	equal to	15,052	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	202,580	equal to	202,580	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	6,702	equal to	6,702	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv.- Staff Wages		equal to		0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	113,799	equal to	113,799	0	O.K.	Pg16 Z12+Z14...	N/A;B	1-4;40-43	8;2	Pg3 H20	N/A	1Oa	4
Special Serv.- Supplies	17,740	equal to	#VALUE!	#VALUE!	#VALUE!	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	380,860	equal to	380,860	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	834,523	equal to	834,523	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Admininstation	406,461	equal to	406,461	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	361,540	equal to	361,540	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	28,263	equal to	28,263	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+H	N/A	38to41+43	4
Income Stat. Prov. Partic.	38,325	equal to	38,325	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	590,550	equal to	613,005	-22,455	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to		0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to		0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	34,533	equal to	34,533	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	6,240	equal to	6,240	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	93,185	equal to	93,185	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	35,028	equal to	35,028	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	40,780	equal to	40,780	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	25,733	equal to	25,733	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	51,314	equal to	51,314	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	141,218	equal to	141,218	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to		0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	1,041,036	equal to	1,041,036	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	5,436	< or = to	5,913	-477	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	6,000	< or = to	6,000	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	22,740	< or = to	22,740	0	O.K.	Pg20 X14..X16+	B. & C.	37to39 and 50to5	2	Pg3 G19	N/A	10	3
Activity Consultant	2,152	< or = to	2,152	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	2,152	< or = to	2,152	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	51,314	equal to	51,314	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	-45,977	equal to	-45,977	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	22,113	equal to	22,113	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	174,336	equal to	174,336	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	6,368	equal to	6,368	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	3,562	equal to	3,562	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	38,325	equal to	38,325	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	0	< or = to	10,025	-10,025	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	0	equal to	0	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to		0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	897	equal to	897	0	O.K.	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	87,918	equal to	87,918	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6I Y4(	B.	14	8
Total loan balance	444,212	equal to	444,212	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27..	N/A	29+39-41	2
Real estate tax accrual	12,996	equal to	12,996	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	0	equal to		0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	37,353	equal to	37,353	0	O.K.	Pg12 to 12I L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	73,176	equal to	73,176	0	O.K.	Pg13 O22+L13	C.& D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	34,321	equal to	34,321	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	556,946	equal to	556,946	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	-15,369	equal to	-15,369	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to		0	O.K.	Pg22 F31-J31..S	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	1,460,430	equal to	1,460,430	0	O.K.	Pg17:H41		25	1	Pg17 S41	N/A	48	1

	Salaries	Supplies	Other	Total	Reclass-ifications	Reclassified Total	Adjustmen	Adjusted Total
1. Dietary	93,185	7,542	5,913	106,640	0	106,640	0	106,640
2. Food Purchase	0	85,483	0	85,483	0	85,483	-5,171	80,312
3. Housekeeping	40,780	6,689	0	47,469	0	47,469	0	47,469
4. Laundry	25,733	7,599	0	33,332	0	33,332	0	33,332
5. Heat and Other Utilities	0	0	52,297	52,297	0	52,297	877	53,174
6. Maintenance	35,028	0	20,611	55,639	0	55,639	50	55,689
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	194,726	107,313	78,821	380,860	0	380,860	-4,244	376,616
9. Medical Director	0	0	6,000	6,000	0	6,000	0	6,000
10. Nursing & Medical Records	613,005	32,489	22,740	668,234	0	668,234	0	668,234
10a. Therapy	0	0	113,799	113,799	0	113,799	0	113,799
11. Activities	34,533	1,333	2,152	38,018	0	38,018	0	38,018
12. Social Services	6,240	0	2,152	8,392	0	8,392	0	8,392
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	80	80	0	80	0	80
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	653,778	33,822	146,923	834,523	0	834,523	0	834,523
17. Administrative	51,314	0	-45,977	5,337	0	5,337	45,977	51,314
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	22,113	22,113	0	22,113	4,431	26,544
20. Fees, Subscriptions & Promotion	0	0	6,368	6,368	0	6,368	0	6,368
21. Clerical & General Office	141,218	13,286	8,128	162,632	0	162,632	5,901	168,533
22. Employee Benefits & Payroll	0	0	164,311	164,311	0	164,311	10,025	174,336
23. Inservice Training & Education	0	0	0	0	0	0	190	190
24. Travel and Seminar	0	0	1,239	1,239	0	1,239	2,323	3,562
25. Other Admin. Staff Trans	0	0	1,332	1,332	0	1,332	0	1,332
26. Insurance-Prop.Liab.Malpractice	0	0	43,129	43,129	0	43,129	176	43,305
27. Other (specify)*	0	0	0	0	0	0	0	0
28. Total General Adminis	192,532	13,286	200,643	406,461	0	406,461	69,023	475,484
29. Total General Administrative	1,041,036	154,421	426,387	1,621,844	0	1,621,844	64,779	1,686,623
30. Depreciation	0	0	13,930	13,930	0	13,930	1,122	15,052
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	133,676	133,676	0	133,676	7,877	141,553
33. Real Estate	0	0	13,621	13,621	0	13,621	0	13,621
34. Rent - Facility & Grounds	0	0	197,952	197,952	0	197,952	4,628	202,580
35. Rent - Equipment & Vehicles	0	0	2,361	2,361	0	2,361	4,341	6,702
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	361,540	361,540	0	361,540	17,968	379,508
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	17,740	0	17,740	0	17,740	0	17,740
40. Barber and Beauty Shop	0	0	0	0	0	0	0	0
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42	0	0	38,325	38,325	0	38,325	0	38,325
43. Other (specify):*	0	0	10,523	10,523	0	10,523	-10,523	0
44. Total Special Cost Ce	0	17,740	48,848	66,588	0	66,588	-10,523	56,065
45. Grand Total	1,041,036	172,161	836,775	2,049,972	0	2,049,972	72,224	2,122,196

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	-97,109	-97,109
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Recievable	94,107	94,107
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	41,033	41,033
7. Other Prepaid Expenses	8,956	8,956
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	1,136,171	1,136,171
10. Total current assets	1,183,158	1,183,158
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	0	0
14. Buildings, at Historical Cost	0	0
15. Leasehold Improvements, Historical Cost	37,353	37,353
16. Equipment, at Historical Cost	73,176	73,176
17. Accumulated Depreciation (book methods)	-34,321	-34,321
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	0	0
23. other (specify):	201,064	201,064
24. Total Long-Term Assets	277,272	277,272
25. Total Assets	1,460,430	1,460,430
CURRENT LIABILITIES		
26. Accounts Payable	362,883	362,883
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	0	0
30. Accrued Salaries Payable	71,826	71,826
31. Accrued Taxes Payable	2,067	2,067
32. Accrued Real Estate Taxes	12,996	12,996
33. Accrued Interest Payable	0	0
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	9,500	9,500
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	459,272	459,272
LONG TERM LIABILITES		
39.Long-Term Notes Payable	37,298	37,298
40.Mortgage Payable	406,914	406,914
41.Bonds Payable	0	0
42.Deferred Compensation	0	0
43.Other Long-Term Liabilities (specify):	0	0
44.Other Long-Term Liabilities (specify):	0	0
45.Total Long-Term Liabilities	444,212	444,212
46.Total Liabilities	903,484	903,484
47.Total Equity	556,946	556,946
48.Total Liabilities and Equity	1,460,430	1,460,430

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	1,879,599
2. Discounts and Allowances for all Levels	-76,863
Subtotal - Inpatient Care	1,802,736
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	183,286
7. Oxygen	0
Subtotal - Anciliary Revenue	183,286
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	40
14. Non-Patient Meals	3,983
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	26,610
18. Sale of Supplies to Non-Patients	0
19. Laboratory	1,788
20. Radiologyand X-Ray	0
21. Other Medical Services	14,446
22. Laundry	0
Subtotal - Other Operating Revenue	46,867
24. Contributions	0
25. Interest and Other Investments Income	0
Subtotal - Non-Operating Revenue	-
27. Other Revenue (specify):	1,714
28. Other Revenue (specify):	0
Subtotal - Other Revenue	1,714
30. Total Revenue	2,034,603
31. General Services	380,860
32. Health Care	834,523
33. General Administration	406,461
34. Ownership	361,540
35. Special Cost Centers	28,263
35. Provider Participation Fee	38,325
37. Other	0
40. Total Expenses	2,049,972
41. Income Before Income Taxes	-15,369
42. Income Taxes	0
43. Net Income or Loss for the Year	-15,369

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Line 16 for mortgage insurance.